

STATE OF MISSOURI
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY REPORTING
June 30, 2002

The Budgetary Comparison Schedule presents comparisons of the original and revised legally adopted budgets with actual data on a budgetary basis for major governmental funds. The major fund categories presented for the State of Missouri are the General Fund, along with the following three Special Revenue Fund Categories: Public Education, Conservation and Environmental Protection, and Transportation and Law Enforcement. In addition, the State Road Fund is a major Capital Projects Fund presented in RSI based on the audited financial statements from the Missouri Department of Transportation.

The Budgetary Comparison Schedule reports revenues and expenditures on a budgetary basis. The accounting principles applied for reporting on a budgetary basis differ from those used to present the financial statements in accordance with GAAP. A reconciliation of the two for the fiscal year ended June 30, 2002, has been presented at the bottom of the Budgetary Comparison Schedule shown on the previous pages of RSI. Since the budget is prepared principally on a cash basis, the Budgetary Comparison Schedule includes data presented on this basis for the fiscal year, and for adjustments made in the two-month lapse period, July 1 through August 31. The budgetary expenditures are included in the current year's Appropriation Activity Report, which demonstrates legal compliance with the current year's budget. This report can be viewed at <http://www.oa.mo.gov/acct/AAR>.

The General Fund is composed of two fund categories, General and Federal funds. Some funds are funded by receipts from specific sources which do not lend themselves to budget preparation. The following fund was excluded from the Budgetary Comparison Schedule for this reason:

General Fund:

General – State Elections Subsidy.

The Budgetary Comparison Schedule presented in RSI does not take into account any amounts that were withheld or reverted from expenditure appropriations due to State budget shortages in fiscal year 2002. This is because the actual appropriation is not decreased for the withholdings. This is why there is a large variance between appropriated (budgeted) expenditures and actual expenditures for fiscal year 2002. The total amount of withholdings in the General Fund in fiscal year 2002 was \$415,191,476. This amount is broken down by expenditure agency groups as follows: General Government \$52,300,281, Education \$186,122,850, Natural and Economic Resources \$29,064,120, Transportation and Law Enforcement \$10,149,615, and Human Services \$137,554,610.

Budgetary comparisons are also required for any other individual governmental funds for which annual appropriated budgets have been adopted. Therefore, budget to actual statements have been provided in the combining fund financial statements for non-major funds for the following non-major governmental fund categories: Special Revenue, Debt Service, and Permanent funds. The following non-major Special Revenue fund does not lend itself to budget preparation and is not included in the budget to actual statement for non-major Special Revenue funds:

Reimbursement and Other – Statutory Revision.

We have not included a budgetary comparison for non-major Capital Projects funds. These funds are funded by bond proceeds or grants for various projects that require several years to complete. Generally, the bond authorization or grant is appropriated in total the first year even though the bond sales or grant receipts are received over a period of years as required by the projects. Therefore, these funds do not have annual budgets and their budget data is not comparative to the actual data for the fiscal year.